

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-first Legislature – First Regular Session

**COMMITTEE ON FEDERALISM
AND FISCAL RESPONSIBILITY**

Minutes of Meeting
Tuesday, January 22, 2013
House Hearing Room 1 -- 2:00 p.m.

Chairman Olson called the meeting to order at 2:20 p.m. and attendance was noted by the secretary.

Members Present

Mr. Contreras	Mrs. Lesko	Mr. Smith, Vice-Chairman
Mr. Gowan	Mr. Seel	Mr. Olson, Chairman
Mr. Larkin	Mr. Wheeler	

Members Absent

None

Committee Action

HB2007 – DP (5-3-0-0)

INTRODUCTION OF STAFF AND MEMBERS

Chairman Olson introduced the Committee staff:

Megan O'Brien, Page
Julio Lozano, Page
Tracey Gardner, Committee Secretary
Magali Chavez, Intern, Democratic Staff
Cynthia Aragon, Policy Advisor, Democratic Staff
Jacob Meshke, Intern, Majority Staff
Justin Riches, Research Analyst, Majority Staff
Paul Benny, Research Analyst, Majority Staff

Chairman Olson asked Members to introduce themselves.

ADOPTION OF COMMITTEE RULES

Vice-Chairman Smith moved that the Committee on Federalism and Fiscal Responsibility Rules be adopted (Attachment 1). The motion carried.

APPOINTMENT OF COMMITTEE OF REFERENCE

Chairman Olson appointed the following Members to the Committee of Reference:

Mr. Olson, Chairman

Mr. Larkin

Mrs. Lesko

Mr. Smith

Mr. Wheeler

CONSIDERATION OF BILL

HB2007 - ballot measures; proposition 105 disclosure - DO PASS

Vice-Chairman Smith moved that HB2007 do pass.

Paul Benny, Majority Research Analyst, stated that in 1998, voters passed Proposition 105 which made changes to the Constitution amending the initiative and referendum process. It prohibited the Legislature from amending a voter-approved measure and from diverting funds created for a specific purpose by an approved measure. HB2007 requires a Proposition 105 notification, in addition to a disclosure statement, be included on any campaign literature or advertisements regarding propositions that are statutory measures (Attachment 2). The bill adds a list of items that a notification cannot be conveniently printed on and the disclosure information be included in the Secretary of State's pamphlet and on the official ballot.

Representative Michelle Ugenti, sponsor, explained that there are many initiatives on the ballots lately and due to the election cycle; voters need to be aware of the Voter Protection Act. They need to be able to read the disclosure information and have it printed somewhere on the materials they are voting on. She gave an example of signs in a store stating “all sales are final, no returns”; it affects the individual’s decision and the initiatives have long term ramifications.

Mrs. Lesko stated that she read the language and asked if it could be rewritten as to be clearer by definition.

Mr. Wheeler stated that a thirty second ad, using the proposed bill, will increase the talk time; therefore, increasing the cost making it burdensome to First Amendment rights. It would control what is being said by forcing additional language.

Mr. Seel asked if the intent of the bill is to inform the voters on the importance of the issues and if the language could be printed instead of taking up space or using speech time for radio spots.

Representative Ugenti stated she will consider changing the language to make it clearer and that it could be part of the ad in written form instead of taking up time in the ad.

To that point, Mr. Smith stated, pharmaceutical and medical ads have to do it all the time on their products whether it is TV or radio advertising. It could be written or displayed on the TV as the ad runs and it looks like there are stipulations made in this bill about the length of ads and the requirements.

Jen Sweeney, Arizona Association of Counties, spoke against HB2007. She stated there wasn't opposition to the bill itself but to a provision in the bill. Ballot space is at a premium so printing one page would be preferred instead of two or three. Ms. Sweeney said Representative Ugenti is willing to talk about this concern.

Eric Emmert, Dorn Policy Group, East Valley Chambers of Commerce Alliance, spoke for HB2007. He stated this bill is great for small business, rotary clubs and civic areas that are familiar with the initiatives but not familiar with the Voter Protection Act and what Proposition 105 does, so it is an extra measure of education for these groups. Proposition 105 was enacted in 1998 and not many know about it. This information is not on a pamphlet, nor on the ballot so voters might not be aware of the impact.

Mr. Olson gave an example: in 2006, a measure that was on the ballot to index the minimum wage for inflation had passed and it turned out that certain workers were not employable in the regular market that were exempt from minimum wage statutes. Because this new measure was voted in, they were not allowed to work at the wage that they were previously earning. The Legislature did not have the ability to correct the unintended consequence and the voters could not understand why. The notice would inform voters that they are voting on permanent reforms that can only be changed by sending it back to the ballot or with a three-fourths majority vote from the Legislature.

Mr. Larkin stated that he was a blue collar worker and many of his colleagues, neighbors and friends talk about the initiatives on the ballot and have a pretty good understanding of the issues. He opined that it seems like a bit of redundant bureaucracy.

Sandy Bahr, Sierra Club Grand Canyon (Arizona) Chapter, spoke against HB2007. This measure, in addition to being poorly worded, is intended to confuse people. The measure says "never"; that is incorrect and untrue. The language should say the ballot measure cannot be changed "except" by a three-fourths vote of the Legislature and that might make more people vote. She also explained that this will distract from the disclosures of who is paying for the advertisement, which is the most critical information for the voters.

Mr. Olson questioned why the Sierra Club was opposing the disclosure if this is a positive change. This information is something the voters need to take into consideration as well as who is paying for it. It is not bad for the voters to think of the impacts on the ballots.

James Bade, representing self, spoke against HB2007. The language, "can never be changed" is a problem and misleading.

David Richerson, representing self, spoke against HB2007. A main concern is the repetition of the information, perhaps it could be printed on the front of the ballot; so it can be read and not repeated over and over again.

Chairman Olson announced the names of those who signed up in support of HB2007 but did not speak:

Scott Mussi, Free Enterprise Club

Kathy Tilque, Gilbert Chamber of Commerce /East Valley Chamber of Commerce Alliance

Mr. Wheeler stated he would not support this bill. The initiative process was instituted in the Constitution because of the basic distrust people have of their elected representatives, who may not represent their interest. This bill is an insinuation that voters are not smart enough to make decisions. Medical marijuana is an example. Voters have passed it three times and one governmental entity or another are still trying to repeal it, again, reiterating to the people that their vote is not trusted.

Mr. Smith stated he thought this was a benign bill but apparently not; it is not a Republican bill or a Democratic bill. Every ballot has ballot propositions and this language does nothing other than inform the voters and provide more information.

Mr. Contreras explained he would like to change his vote from aye to nay. He stated there are other ways to put forth this information to the public other than this bill.

Question was called on the motion that HB2007 do pass. The motion carried by a roll call vote of 5-3-0-0 (Attachment 3).

Without objection, the meeting adjourned at 3:05 p.m.

Tracey Gardner, Committee Secretary
January 22, 2013

(Original minutes, attachments and audio on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)